

# Senate File 598 - Introduced

SENATE FILE \_\_\_\_\_  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 576)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to locally administered human services programs  
2 involving county mental health, mental retardation, and  
3 developmental disabilities services funding and the  
4 decategorization of the child welfare and juvenile justice  
5 funding initiative by making an appropriation, authorizing  
6 nonreversion of certain funding, and providing effective date  
7 and retroactive applicability provisions.  
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
9 TLSB 2849SV 82  
10 jp/es/88

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### DIVISION I

#### SUPPLEMENTARY ALLOWED GROWTH FUNDING FOR FY 2007=2008

1 2 Section 1. 2006 Iowa Acts, chapter 1185, section 1, is  
1 3 amended by adding the following new subsection:

1 4 NEW SUBSECTION. 1A. There is appropriated from the  
1 5 general fund of the state to the department of human services  
1 6 for the fiscal year beginning July 1, 2007, and ending June  
1 7 30, 2008, the following amount, or so much thereof as is  
1 8 necessary, to be used for the purpose designated:

1 9 For distribution to counties that meet the requirements of  
1 10 this subsection:

1 11 ..... \$ 12,000,000

1 12 a. To be eligible to receive an allocation under this  
1 13 subsection, a county must meet the following requirements:

1 14 (1) The county is levying for the maximum amount allowed  
1 15 for the county's mental health, mental retardation, and  
1 16 developmental disabilities services fund under section  
1 17 331.424A for taxes due and payable in the fiscal year  
1 18 beginning July 1, 2007, or the county is levying for at least  
1 19 90 percent of the maximum amount allowed for the county's  
1 20 services fund and that levy rate is more than \$2 per \$1,000 of  
1 21 the assessed value of all taxable property in the county.

1 22 (2) In the fiscal year beginning July 1, 2006, the  
1 23 county's mental health, mental retardation, and developmental  
1 24 disabilities services fund ending balance under generally  
1 25 accepted accounting principles was equal to or less than 15  
1 26 percent of the county's actual gross expenditures for that  
1 27 fiscal year.

1 28 b. A county's allocation of the amount appropriated in  
1 29 this subsection shall be determined based upon the county's  
1 30 proportion of the general population of the counties eligible  
1 31 to receive an allocation under this subsection. The most  
1 32 recent population estimates issued by the United States bureau  
1 33 of the census shall be applied in determining population for  
1 34 the purposes of this paragraph.

2 1 c. The allocations made pursuant to this subsection are  
2 2 subject to the distribution provisions and withholding  
2 3 requirements established in this section for the county mental  
2 4 health, mental retardation, and developmental disabilities  
2 5 allowed growth factor adjustment for the fiscal year beginning  
2 6 July 1, 2007.

### DIVISION II

#### DATA REPORTING

##### == RISK POOL ASSISTANCE

2 10 Sec. 2. Section 225C.6A, subsection 2, paragraph c, Code  
2 11 2007, is amended by adding the following new subparagraph:

2 12 NEW SUBPARAGRAPH. (3) Each county shall report to the  
2 13 department annually on or before December 1, for the preceding

2 14 fiscal year the following information for each individual  
2 15 served: demographic information, expenditure data, and data  
2 16 concerning the services and other support provided to each  
2 17 individual, as specified in administrative rule adopted by the  
2 18 commission.

2 19 Sec. 3. Section 331.439, subsection 1, paragraph a, Code  
2 20 2007, is amended to read as follows:

2 21 a. The county accurately reported by December 1 the  
2 22 county's expenditures for mental health, mental retardation,  
2 23 and developmental disabilities services and the information  
2 24 required under section 225C.6A, subsection 2, paragraph "c",  
2 25 for the previous fiscal year on forms prescribed by rules  
2 26 adopted by the department of human services state commission.

2 27 Sec. 4. Section 426B.5, subsection 2, Code 2007, is  
2 28 amended to read as follows:

2 29 2. RISK POOL.

2 30 a. For the purposes of this subsection, unless the context  
2 31 otherwise requires+.

2 32 (1) ~~"Net expenditure amount" means a county's gross~~  
2 33 ~~expenditures from the services fund for a fiscal year as~~  
2 34 ~~adjusted by subtracting all services fund revenues for that~~  
2 35 ~~fiscal year that are received from a source other than~~  
3 1 ~~property taxes, as calculated on a modified accrual basis.~~

3 2 (2) "Services services fund" means a county's mental  
3 3 health, mental retardation, and developmental disabilities  
3 4 services fund created in section 331.424A.

3 5 b. A risk pool is created in the property tax relief fund.  
3 6 The pool shall consist of the moneys credited to the pool by  
3 7 law.

3 8 c. A risk pool board is created. The board shall consist  
3 9 of two county supervisors, two county auditors, a member of  
3 10 the mental health, mental retardation, developmental  
3 11 disabilities, and brain injury commission who is not a member  
3 12 of a county board of supervisors, a member of the county  
3 13 finance committee created in chapter 333A who is not an  
3 14 elected official, a representative of a provider of mental  
3 15 health or developmental disabilities services selected from  
3 16 nominees submitted by the Iowa association of community  
3 17 providers, and two central point of coordination process  
3 18 administrators, all appointed by the governor, and one member  
3 19 appointed by the director of human services. All members  
3 20 appointed by the governor shall be subject to confirmation by  
3 21 the senate. Members shall serve for three-year terms. A  
3 22 vacancy shall be filled in the same manner as the original  
3 23 appointment. Expenses and other costs of the risk pool board  
3 24 members representing counties shall be paid by the county of  
3 25 origin. Expenses and other costs of risk pool board members  
3 26 who do not represent counties shall be paid from a source  
3 27 determined by the governor. Staff assistance to the board  
3 28 shall be provided by the department of human services and  
3 29 counties. Actuarial expenses and other direct administrative  
3 30 costs shall be charged to the pool.

3 31 d. (1) A county must apply to the risk pool board for  
3 32 assistance from the risk pool on or before January 25 to ~~cover~~  
3 33 ~~an unanticipated net expenditure amount in excess of the~~  
3 34 ~~county's current fiscal year budgeted net expenditure amount~~  
3 35 ~~for the county's services fund. The risk pool board shall~~  
4 1 make its final decisions on or before February 25 regarding  
4 2 acceptance or rejection of the applications for assistance and  
4 3 the total amount accepted shall be considered obligated. ~~For~~  
4 4 ~~purposes of applying for risk pool assistance and for repaying~~  
4 5 ~~unused risk pool assistance, the current fiscal year budgeted~~  
4 6 ~~net expenditure amount shall be deemed to be the higher of~~  
4 7 ~~either the budgeted net expenditure amount in the management~~  
4 8 ~~plan approved under section 331.439 for the fiscal year in~~  
4 9 ~~which the application is made or the prior fiscal year's net~~  
4 10 ~~expenditure amount.~~

4 11 (2) e. Basic eligibility for risk pool assistance shall  
4 12 require a projected net expenditure amount in excess of the  
4 13 sum of one hundred five percent of the county's current fiscal  
4 14 year budgeted net expenditure amount and any amount of the  
4 15 county's prior fiscal year ending fund balance in excess of  
4 16 twenty-five percent of the county's gross expenditures from  
4 17 the services fund in the prior fiscal year. However, if a  
4 18 county's services fund ending balance in the previous fiscal  
4 19 year was less than ten percent of the amount of the county's  
4 20 gross expenditures from the services fund for that fiscal year  
4 21 and the county has a projected net expenditure amount for the  
4 22 current fiscal year that is in excess of one hundred one  
4 23 percent of the budgeted net expenditure amount for the current  
4 24 fiscal year, the county shall be considered to have met the

~~4 25 basic eligibility requirement and is qualified for risk pool  
4 26 assistance, requires that a county meet all of the following  
4 27 conditions:~~

~~4 28 (1) The county is in compliance with the requirements of  
4 29 section 331.439.~~

~~4 30 (2) The county levied the maximum amount allowed for the  
4 31 county's services fund under section 331.424A for the fiscal  
4 32 year of application for risk pool assistance.~~

~~4 33 (3) At the close of the fiscal year that immediately  
4 34 preceded the fiscal year of application, the county's services  
4 35 fund ending balance under generally accepted accounting~~

~~5 1 principles was equal to or less than fifteen percent of the  
5 2 county's actual gross expenditures for that fiscal year.~~

~~5 3 (3) f. The board shall review the fiscal year-end  
5 4 financial records for all counties that are granted risk pool  
5 5 assistance. If the board determines a county's actual need  
5 6 for risk pool assistance was less than the amount of risk pool  
5 7 assistance granted to the county, the county shall refund the  
5 8 difference between the amount of assistance granted and the  
5 9 actual need. The county shall submit the refund within thirty  
5 10 days of receiving notice from the board. Refunds shall be  
5 11 credited to the risk pool.~~

~~5 12 (4) A county receiving risk pool assistance in a fiscal  
5 13 year in which the county did not levy the maximum amount  
5 14 allowed for the county's services fund under section 331.424A  
5 15 shall be required to repay the risk pool assistance during the  
5 16 two succeeding fiscal years. The repayment amount shall be  
5 17 limited to the amount by which the actual amount levied was  
5 18 less than the maximum amount allowed, with at least fifty  
5 19 percent due in the first succeeding fiscal year and the  
5 20 remainder due in the second succeeding fiscal year.~~

~~5 21 (5) g. The board shall determine application requirements  
5 22 to ensure prudent use of risk pool assistance. The board may  
5 23 accept or reject an application for assistance in whole or in  
5 24 part. The decision of the board is final.~~

~~5 25 (6) h. The total amount of risk pool assistance shall be  
5 26 limited to the amount available in the risk pool for a fiscal  
5 27 year. If the total amount of eligible assistance exceeds the  
5 28 amount available in the risk pool, the amount of assistance  
5 29 paid shall be prorated among the counties eligible for  
5 30 assistance. Moneys remaining unexpended or unobligated in the~~

~~5 31 risk pool following the risk pool board's decisions made  
5 32 pursuant to subparagraph (1) shall be distributed to the  
5 33 counties eligible to receive funding from the allowed growth  
5 34 factor adjustment appropriation for the fiscal year using the  
5 35 distribution methodology applicable to that appropriation. A~~

~~6 1 county shall not receive more than twenty percent of the  
6 2 amount available in the risk pool for a fiscal year. Any  
6 3 unobligated balance in the risk pool at the close of a fiscal  
6 4 year shall remain in the risk pool for distribution in the  
6 5 succeeding fiscal year.~~

~~6 6 e- i. A county may apply for preapproval for risk pool  
6 7 assistance based upon an individual who has an unanticipated  
6 8 disability condition with an exceptional cost and the  
6 9 individual is either new to the county's service system or the  
6 10 individual's unanticipated disability condition is new to the  
6 11 individual. Whether for a preapproval or regular application,  
6 12 risk pool assistance shall only be made available to address  
6 13 one or more of the following circumstances:~~

~~6 14 (1) Continuing support for mandated services.~~

~~6 15 (2) Avoiding the need for reduction or elimination of  
6 16 critical services when the reduction or elimination places  
6 17 consumers' health or safety at risk.~~

~~6 18 (3) Avoiding the need for reduction or elimination of  
6 19 critical emergency services when the reduction or elimination  
6 20 places the public's health or safety at risk.~~

~~6 21 (4) Avoiding the need for reduction or elimination of the  
6 22 services or other support provided to entire disability  
6 23 populations.~~

~~6 24 (5) Avoiding the need for reduction or elimination of  
6 25 services or other support that maintain consumers in a  
6 26 community setting, creating a risk that the consumers would be  
6 27 placed in more restrictive, higher cost settings.~~

~~6 28 f- j. The department of human services shall annually  
6 29 calculate the amount of moneys due to eligible counties in  
6 30 accordance with the board's decisions and that amount is  
6 31 appropriated from the risk pool to the department for payment  
6 32 of the moneys due. The department shall authorize the  
6 33 issuance of warrants payable to the county treasurer for the  
6 34 amounts due and the warrants shall be issued before the close  
6 35 of the fiscal year.~~

7 1 ~~g. k.~~ On or before March 1 and September 1 of each fiscal  
7 2 year, the department of human services shall provide the risk  
7 3 pool board with a report of the financial condition of each  
7 4 funding source administered by the board. The report shall  
7 5 include but is not limited to an itemization of the funding  
7 6 source's balances, types and amount of revenues credited, and  
7 7 payees and payment amounts for the expenditures made from the  
7 8 funding source during the reporting period.

7 9 Sec. 5. INFORMATION TECHNOLOGY. The department of human  
7 10 services shall meet with the Iowa state association of  
7 11 counties to develop a joint proposal addressing the  
7 12 information technology needed for counties to comply with the  
7 13 data reporting requirements applicable under this division.  
7 14 The joint proposal shall be submitted to the chairpersons and  
7 15 ranking members of the general assembly's committees on human  
7 16 resources and the joint appropriations subcommittee on health  
7 17 and human services by November 15, 2007.

7 18 Sec. 6. EMERGENCY RULES. The mental health, mental  
7 19 retardation, developmental disabilities, and brain injury  
7 20 commission may adopt administrative rules under section 17A.4,  
7 21 subsection 2, and section 17A.5, subsection 2, paragraph "b",  
7 22 to implement the provisions of this division of this Act and  
7 23 the rules shall become effective immediately upon filing or on  
7 24 a later effective date specified in the rules, unless the  
7 25 effective date is delayed by the administrative rules review  
7 26 committee. Any rules adopted in accordance with this section  
7 27 shall not take effect before the rules are reviewed by the  
7 28 administrative rules review committee. The delay authority  
7 29 provided to the administrative rules review committee under  
7 30 section 17A.4, subsection 5, and section 17A.8, subsection 9,  
7 31 shall be applicable to a delay imposed under this section,  
7 32 notwithstanding a provision in those sections making them  
7 33 inapplicable to section 17A.5, subsection 2, paragraph "b".  
7 34 Any rules adopted in accordance with the provisions of this  
7 35 section shall also be published as notice of intended action  
8 1 as provided in section 17A.4.

8 2 Sec. 7. EFFECTIVE DATE == RETROACTIVE APPLICABILITY. This  
8 3 division of this Act, being deemed of immediate importance,  
8 4 takes effect upon enactment and is retroactively applicable to  
8 5 December 1, 2006, and is applicable on and after that date for  
8 6 information collected by a county as of that date. A county  
8 7 that has not submitted the data specified in section 225C.6A  
8 8 for the preceding fiscal year as of the effective date of this  
8 9 division, shall submit the data within twenty-five business  
8 10 days of the effective date of the rules adopted to implement  
8 11 the provisions of this division. Unless the department  
8 12 approves an exception for good cause, if a county does not  
8 13 submit the data specified within the required time period, the  
8 14 county is subject to withholding of the county's state payment  
8 15 for property tax relief and allowed growth factor adjustment  
8 16 for the fiscal year beginning July 1, 2007.

#### 8 17 DIVISION III

#### 8 18 MENTAL HEALTH SERVICES SYSTEM IMPROVEMENT

8 19 Sec. 8. NEW SECTION. 225C.6B MENTAL HEALTH SERVICES  
8 20 SYSTEM IMPROVEMENT == LEGISLATIVE INTENT == PLANNING AND  
8 21 IMPLEMENTATION.

8 22 1. INTENT.

8 23 a. The general assembly intends for the state to implement  
8 24 a comprehensive, continuous, and integrated state mental  
8 25 health services plan in accordance with the requirements of  
8 26 sections 225C.4 and 225C.6 and other provisions of this  
8 27 chapter, by increasing the department's responsibilities in  
8 28 the development, funding, oversight, and ongoing leadership of  
8 29 mental health services in this state.

8 30 b. In order to further the purposes listed in sections  
8 31 225C.1 and 225C.27 and in other provisions of this chapter,  
8 32 the general assembly intends that efforts focus on the goal of  
8 33 making available a comprehensive array of high-quality,  
8 34 evidence-based consumer and family-centered mental health  
8 35 services and other support in the least restrictive,  
9 1 community-based setting appropriate for a consumer.

9 2 c. In addition, it is the intent of the general assembly  
9 3 to promote policies and practices that achieve for consumers  
9 4 the earliest possible detection of mental health problems and  
9 5 early intervention; to stress that all health care programs  
9 6 address mental health disorders with the same urgency as  
9 7 physical health disorders; to promote the policies of all  
9 8 public programs that serve adults and children with mental  
9 9 disorders, including but not limited to child welfare,  
9 10 Medicaid, education, housing, criminal and juvenile justice,  
9 11 substance abuse treatment, and employment services; to

9 12 consider the special mental health needs of adults and  
9 13 children; and to promote recovery and resiliency as expected  
9 14 outcomes for all consumers.

9 15 2. PLANNING AND IMPLEMENTATION. In order to build upon  
9 16 the partnership between the state and counties in providing  
9 17 mental health and disability services in the state, the  
9 18 workgroups established for purposes of this subsection shall  
9 19 engage equal proportions representing the department,  
9 20 counties, and service providers. The county and provider  
9 21 representatives shall be appointed by the statewide  
9 22 associations representing counties and community providers.  
9 23 In addition, each workgroup shall include a representative of  
9 24 the commission, the mental health planning and advisory  
9 25 council, consumers, and a statewide advocacy organization. A  
9 26 workgroup shall be established for each of the following tasks  
9 27 provided for in this subsection: alternative distribution  
9 28 formulas, community mental health center plan, core mental  
9 29 health services, and the two comprehensive plan items. The  
9 30 division shall perform all of the following tasks in taking  
9 31 steps to improve the mental health services system for adults  
9 32 and children in this state:

9 33 a. ALTERNATIVE DISTRIBUTION FORMULAS. Identify  
9 34 alternative formulas for distributing mental health, mental  
9 35 retardation, and developmental disabilities allowed growth  
10 1 factor adjustment funding to counties. The alternative  
10 2 formulas shall provide methodologies that, as compared to the  
10 3 current methodologies, are more readily understood, better  
10 4 reflect the needs for services, respond to utilization  
10 5 patterns, acknowledge historical county spending, and address  
10 6 disparities in funding and service availability. The formulas  
10 7 shall serve to strengthen the partnership between the  
10 8 department and counties in the state's services system. The  
10 9 division may engage assistance from expert consultants with  
10 10 experience with funding allocation systems as necessary to  
10 11 evaluate options. The department shall report with findings  
10 12 and recommendations to the commission on or before November 1,  
10 13 2007, and shall review and make recommendations to the  
10 14 department on or before December 1, 2007. The department  
10 15 shall submit the final report to the chairpersons and ranking  
10 16 members of the general assembly's committees on human  
10 17 resources and the joint appropriations subcommittee on health  
10 18 and human services, and to associated legislative staff, on or  
10 19 before January 31, 2008.

10 20 b. COMMUNITY MENTAL HEALTH CENTER PLAN. Prepare a phased  
10 21 plan for increasing state responsibility for and oversight of  
10 22 mental health services provided by community mental health  
10 23 centers and the providers approved to fill the role of a  
10 24 center. The plan shall provide for an initial implementation  
10 25 date of July 1, 2008. The plan shall be submitted to the  
10 26 commission on or before October 1, 2007. The commission shall  
10 27 review the plan and provide comments to the department on or  
10 28 before November 1, 2007. The plan shall be submitted to the  
10 29 governor and general assembly on or before January 31, 2008.  
10 30 The department shall ensure that key stakeholders are engaged  
10 31 in the planning process, including but not limited to the  
10 32 commission, mental health services providers, individuals with  
10 33 expertise in the delivery of mental health services, youth and  
10 34 adult consumers, family members of consumers, advocacy  
10 35 organizations, and counties.

11 1 c. CORE MENTAL HEALTH SERVICES. Identify core mental  
11 2 health services to be offered in each area of the state by  
11 3 community mental health centers and core services agency  
11 4 providers. The workgroup for this task shall be established  
11 5 no later than August 1, 2007. The core services shall be  
11 6 designed to address the needs of target populations identified  
11 7 by the workgroup and the services may include but are not  
11 8 limited to emergency services, school-based mental health  
11 9 services, short-term counseling, prescreening for those  
11 10 subject to involuntary treatment orders, and evidence-based  
11 11 practices. The division shall submit to the commission on or  
11 12 before October 1, 2007, proposed administrative rules and  
11 13 legislation to amend chapter 230A as necessary to implement  
11 14 the core services beginning July 1, 2008. The commission  
11 15 shall review and revise the proposed administrative rules and  
11 16 shall adopt the administrative rules after the general  
11 17 assembly has reviewed and approved the proposal. The  
11 18 proposals shall be submitted to the general assembly for  
11 19 review on or before January 31, 2008.

11 20 d. MENTAL HEALTH AND CORE SERVICE AGENCY STANDARDS AND  
11 21 ACCREDITATION. Identify standards for accreditation of core  
11 22 services agencies that are not a community mental health

11 23 center but may serve as a provider approved to fill the role  
11 24 of a center. Such core services agencies could be approved to  
11 25 provide core mental health services for children and adults on  
11 26 a regional basis. The standards shall be submitted to the  
11 27 commission for review and recommendation on or before December  
11 28 1, 2007, and to the governor and general assembly on or before  
11 29 January 31, 2008.

11 30 e. CO-OCCURRING DISORDERS. The division and the  
11 31 department of public health shall give priority to the efforts  
11 32 underway to develop an implementation plan for addressing  
11 33 co-occurring mental health and substance abuse disorders in  
11 34 order to establish a comprehensive, continuous, and integrated  
11 35 system of care for such disorders. The division and the  
12 1 department of public health shall participate in a policy  
12 2 academy on co-occurring mental health and substance abuse  
12 3 disorders as part of developing an implementation plan for  
12 4 commission review by May 1, 2008, and shall forward the  
12 5 implementation plan to the commission. The commission shall  
12 6 review and make recommendations on the plan on or before May  
12 7 1, 2008. The plan shall then be submitted to the governor and  
12 8 general assembly on or before June 1, 2008. The division may  
12 9 engage experts in the field of co-occurring mental health and  
12 10 substance abuse disorders to facilitate this planning process.

12 11 f. EVIDENCE-BASED PRACTICES. Begin phased implementation  
12 12 of evidence-based practices for mental health services over a  
12 13 period of several years.

12 14 (1) Not later than October 1, 2007, in order to provide a  
12 15 reasonable timeline for the implementation of evidence-based  
12 16 practices with mental health and disability services  
12 17 providers, the division shall provide for implementation of  
12 18 two adult and two children evidence-based practices per year  
12 19 over a three-year period.

12 20 (2) The division shall develop a comprehensive training  
12 21 program concerning such practices for community mental health  
12 22 centers, state resource centers and mental health institutes,  
12 23 and other providers, in collaboration with the Iowa consortium  
12 24 for mental health and mental health service providers. The  
12 25 division shall consult with experts on behavioral health  
12 26 workforce development regarding implementation of the mental  
12 27 health and disability services training and the curriculum and  
12 28 training opportunities offered.

12 29 (3) The department shall apply measures to ensure  
12 30 appropriate reimbursement is available to all providers for  
12 31 the implementation of mandated evidence-based practices and  
12 32 request appropriate funding for evidence-based practices from  
12 33 the governor and general assembly as part of the  
12 34 implementation plan. The implementation plan shall be  
12 35 submitted to the governor and general assembly on or before  
13 1 January 31, 2008.

13 2 (4) The department shall provide the commission with a  
13 3 plan for review to implement the provisions of this paragraph  
13 4 "f".

13 5 g. COMPREHENSIVE PLAN.

13 6 (1) Complete a written plan describing the key components  
13 7 of the state's mental health services system, including the  
13 8 services addressed in this subsection and those that are  
13 9 community-based, state institution-based, or regional or  
13 10 state-based. The plan shall incorporate the community mental  
13 11 health center plan provisions implemented pursuant to this  
13 12 subsection. The plan shall be submitted to the commission on  
13 13 or before November 15, 2008, and to the governor and general  
13 14 assembly on or before December 15, 2008.

13 15 (2) In addition, complete a written plan for the  
13 16 department to assume leadership and to assign and reassign  
13 17 significant financial responsibility for the components of the  
13 18 mental health services system in this state, including but not  
13 19 limited to the actions needed to implement the provisions of  
13 20 this subsection involving community mental health centers,  
13 21 core mental health services, core services agencies,  
13 22 co-occurring disorders, and evidence-based practices. The  
13 23 plan shall include recommendations for funding levels, payment  
13 24 methodologies for new and existing services, and allocation  
13 25 changes necessary for the department to assume significant  
13 26 financial responsibility for mental health services. The plan  
13 27 shall be submitted to the commission on or before November 15,  
13 28 2008, and the commission shall provide review and  
13 29 recommendations on the plan to the department on or before  
13 30 December 15, 2008. The plan shall be submitted to the  
13 31 governor and general assembly on or before January 15, 2009.

13 32 (3) The planning provisions of this paragraph shall be  
13 33 directed toward the goal of strengthening the partnership

13 34 between the department and counties in the state's services  
13 35 system.

14 1 DIVISION IV

14 2 DECATEGORIZATION PROJECT FUNDING

14 3 Sec. 9. 2005 Iowa Acts, chapter 175, section 16,  
14 4 subsection 4, is amended by adding the following new  
14 5 unnumbered paragraph:

14 6 NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33,  
14 7 moneys in the allocations made in this subsection or made from  
14 8 any other source for the decategorization of the child welfare  
14 9 and juvenile justice funding initiative under section 232.188  
14 10 that remain unencumbered or unobligated at the close of the  
14 11 fiscal year beginning July 1, 2006, shall not revert but shall  
14 12 remain available for expenditure for the purposes allocated  
14 13 until the close of the succeeding fiscal year. Priority for  
14 14 the moneys addressed in this paragraph shall be given to  
14 15 services for children with special needs such as mental health  
14 16 needs, sexual abuse victims or offenders, and substance abuse.  
14 17 If moneys addressed in this paragraph are used to support  
14 18 services for children with special needs that were previously  
14 19 provided under a county contract funded from a county's mental  
14 20 health, mental retardation, and developmental disabilities  
14 21 services fund under section 331.424A, a decategorization  
14 22 project may contract with a provider of such services in place  
14 23 of the county contract, notwithstanding any request for  
14 24 proposals requirement otherwise applicable under section  
14 25 8A.311.

14 26 Sec. 10. EFFECTIVE DATE. This division of this Act, being  
14 27 deemed of immediate importance, takes effect upon enactment.

14 28 DIVISION V

14 29 COUNTY FUNDS

14 30 Sec. 11. Notwithstanding section 331.424A, subsection 5,  
14 31 and section 331.432, subsection 3, for the fiscal year  
14 32 beginning July 1, 2007, a county may transfer moneys from  
14 33 other funds of the county to the county's services fund  
14 34 created in section 331.424A.

14 35 EXPLANATION

15 1 This bill relates to locally administered human services  
15 2 programs involving the county mental health, mental  
15 3 retardation, and developmental disabilities allowed growth  
15 4 factor adjustment and the decategorization of child welfare  
15 5 and juvenile justice funding initiative by making an  
15 6 appropriation and authorizing nonreversion of certain funding.  
15 7 The bill is organized into divisions.

15 8 ALLOWED GROWTH FUNDING FOR FY 2007=2008 == This division  
15 9 makes a new appropriation for the allowed growth adjustment  
15 10 factor distribution made in 2006 Iowa Acts, chapter 1185,  
15 11 section 1.

15 12 The appropriation is designated for distribution to  
15 13 counties with a fund balance percentage of 15 percent or less  
15 14 for FY 2006=2007 that levied the maximum amount authorized for  
15 15 the county's services fund for FY 2007=2008, or levied 90  
15 16 percent of the maximum amount authorized with a levy rate of  
15 17 more than \$2 per \$1,000 of the assessed value of all taxable  
15 18 property in the county. The appropriation is subject to  
15 19 distribution and withholding requirements designated in the  
15 20 same section. This provision is generally addressed in the  
15 21 appropriation legislation for health and human services.

15 22 DATA REPORTING AND RISK POOL == Code section 225C.6A,  
15 23 relating to the responsibility of the mental health, mental  
15 24 retardation, developmental disabilities, and brain injury  
15 25 (MH/MR/DD/BI) commission to plan, collect, and analyze data as  
15 26 necessary to issue cost estimates for serving additional  
15 27 populations and providing core disability services statewide,  
15 28 is amended to require counties to submit data annually by  
15 29 December 1 for the preceding fiscal year. The data is  
15 30 required to include demographic information, expenditure data,  
15 31 and data concerning the services and other support provided to  
15 32 each individual.

15 33 Code section 331.439, relating to the requirements for  
15 34 county eligibility to receive property tax relief and allowed  
15 35 growth factor adjustment funding, is amended to include along  
16 1 with the existing financial reporting requirements, a new  
16 2 requirement to report the individual data required by the bill  
16 3 under Code section 225C.6A.

16 4 The department of human services is required to meet with  
16 5 the Iowa state association of counties to develop a joint  
16 6 proposal addressing the information technology needed for  
16 7 counties to comply with the data reporting requirements  
16 8 applicable to counties under the division. The joint proposal  
16 9 is required to be submitted to chairpersons and ranking

16 10 members of the general assembly's committees on human  
16 11 resources and the joint appropriations subcommittee on health  
16 12 and human services by November 15, 2007.  
16 13 Code section 426B.5 is amended to revise the requirements  
16 14 for a county to access the risk pool in the property tax  
16 15 relief fund. The basic eligibility provisions are revised to  
16 16 require a county to comply with county management plan  
16 17 requirements, levy the maximum amount authorized for the  
16 18 county services fund, and have an ending balance in the  
16 19 services fund in the previous fiscal year that is equal to or  
16 20 less than 15 percent of the gross actual expenditures for that  
16 21 fiscal year.

16 22 A limitation on the amount of assistance that may be  
16 23 provided from the risk pool is included so that for a fiscal  
16 24 year one county cannot receive more than 20 percent of the  
16 25 amount available in the risk pool for that fiscal year.

16 26 A list of circumstances is provided for which a county may  
16 27 receive assistance from the risk pool.

16 28 The MH/MR/DD/BI commission is authorized to adopt rules for  
16 29 the provisions contained in this division using emergency  
16 30 procedures that eliminates public comment periods but retains  
16 31 the review by the administrative rules review committee prior  
16 32 to adoption.

16 33 This division takes effect upon enactment and is  
16 34 retroactively applicable to December 1, 2006. If a county has  
16 35 not submitted the data the county had collected by December 1,  
17 1 2006, for the preceding fiscal year as of the effective date  
17 2 of the division, the county must submit the data within  
17 3 twenty-five business days of the effective date of the rules  
17 4 adopted concerning the data. A county that does not comply  
17 5 with the data reporting requirement for December 1, 2006, is  
17 6 subject to withholding of property tax relief and allowed  
17 7 growth factor adjustment payments made in FY 2007=2008.

17 8 MENTAL HEALTH SERVICES SYSTEM IMPROVEMENT == New Code  
17 9 section 225C.6B provides for planning and implementation of  
17 10 mental health system improvements by the division of mental  
17 11 health and disability services of the department of human  
17 12 services. The intent for the system improvement is described.

17 13 Four of the planning items are required to utilize a  
17 14 workgroup consisting of relatively equal proportions of  
17 15 representatives of the department, counties, and providers.  
17 16 In addition, the workgroups are required to include a  
17 17 representative of the mental health, mental retardation,  
17 18 developmental disabilities, and brain injury (MH/MR/DD/BI)  
17 19 commission, the mental health planning and advisory council,  
17 20 consumers, and a statewide advocacy organization. The  
17 21 planning items required to utilize a workgroup are the  
17 22 alternative distribution formulas, community mental health  
17 23 center plan, core mental health services, and the two  
17 24 comprehensive plan items. Other items to be addressed are  
17 25 community mental health provider standards, mental health and  
17 26 core service agency standards and accreditation, co-occurring  
17 27 disorders, and evidence-based practices. Dates are provided  
17 28 for submission of each of the planning items to the  
17 29 MH/MR/DD/BI commission and to the governor and general  
17 30 assembly.

17 31 DECATEGORIZATION PROJECT FUNDING == This division amends  
17 32 allocations made of FY 2005=2006 appropriations for the  
17 33 decategorization of the child welfare and juvenile justice  
17 34 funding initiative. The amendment allows moneys that remain  
17 35 unencumbered or unobligated and would otherwise revert at the  
18 1 close of fiscal year 2006=2007 to be carried forward to the  
18 2 succeeding fiscal year to be used for the same purpose.  
18 3 Priority for the carryforward moneys is required to be given  
18 4 to services for children with special needs such as mental  
18 5 health needs, sexual abuse victims or offenders, and substance  
18 6 abuse. If a decategorization project contracts with a  
18 7 provider of services to children with special needs that was  
18 8 previously under a county contract, the decategorization  
18 9 project is not subject to a request for proposals process  
18 10 under Code section 8A.311. The division takes effect upon  
18 11 enactment.

18 12 COUNTY FUNDS == This division authorizes a temporary  
18 13 exception to allow a county to transfer moneys from other  
18 14 funds to the county's MH/MR/DD services fund for FY 2007=2008.

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